Kerosene quota for Rajasthan

3613. DR. GYAN PRAKASH PILANIA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the total demand and supply scenario of Kerosene in Rajasthan;

(b) what is the yardstick for allocation of quota of Kerosene to a State, and whether it has been fully applied in Rajasthan;

(c) whether Government propose to increase the quota of Kerosene for Rajasthan;

(d) if so, the details thereof; and

(e) by when the quota of Kerosene is likely to be increased in the State?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) to (e) Government of India allocates Kerosene to the States/Union Territories (UTs) for distribution under the Public Distribution System (PDS) on historical basis for the purpose of cooking and illumination only. In accordance with the policy adopted by the Government of India in 2000, Kerosene (SKO) allocation for distribution under the Public Distribution System (PDS) was reduced every year beginning 2001-02 till 2003-04, taking into account the number of LPG connections released in each State/Union Territory! While the initial allotment for 2004-05 was based on the criteria adopted hitherto, additional allocoations were made during the year to meet urgent enlergent demand. For the years 2005-06 and 2006-07, allocations have been maintained at the level of 2004-05, including additional allocations made during that year. Allocations for first quarter for 2007-08 have been maintained at the level of 2006-07.

In view of requests received from various State Governments including Rajasthan for increasing the SKO allocation, the Government of India commissioned the detailed study of Kerosene demand in the country, through the National Council of Applied Economic Research (NCAER) in December, 2004. NCAER submitted its report in October, 2005. NCAER has *inter alia* recommended to restrict the subsidy on Kerosene to BPL families only.

Further, in order to formulate a long-term pricing policy, the Government had constituted an Inter-Ministerial Committee under the Chairmanship of

Dr. C. Rangarajan, Chairman, Economic Advisory Council to the Prime Minister to examine different aspects of pricing and taxation of petroleum products with a view to stabilizing/rationalizing their prices. The Committee submitted its report on 17.2.2006. The Committee has also *inter alia* recommended to restrict the subsidy on kerosene to BPL families only. The Government has accepted the recommendations of Dr. Rangarajan Committee Report and has decided 'in principle' that subsidy on PDS kerosene be limited to BPL families only. The proposal to work out the modalities to implement this decision and for rationalizing the allocation of PDS kerosene among States/UTs is under the consideration of the Government.

Rajasthan share in Oil Production

†3614. DR. PRABHA THAKUR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether oil and gas reserves are found in abundance in different regions in Rajasthan;

(b) if so, the regions where these reserves have been found and by when production of oil and gas will commence; and

(c) the percentage of Rajasthan's share in this production alongwith the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHAJ. PATEL): (a) Yes, Sir. Underproduction Sharing Contract (PSC) regime several oil and gas discoveries have been made in the State of Rajasthan. M/s Cairn Energy has made 14 oil and gas discoveries in block RJ-ON-90/1, M/s Focus Energy Ltd. has made 1 gas discovery in block RJ-ON-90/6.

(b) The above discoveries are in the Districts of Barmer, Jalore and Jaisalmer in Rajasthan largely known as Barmer-Sanchare basin. The commercial production of oil & gas from Barmer-Sanchare basin is likely to start in 2008-09.

(c) As per Production Sharing Contract(s) the State Government of. Rajasthan will get royalty on oil and gas which is produced & saved from

†Original notice of the question was received in Hindi.